

AOT in Action

Welcome to AOT in Action, your weekly e-newsletter from the Arizona Office of Tourism (AOT).

A Message from Director Sherry Henry:

Good morning,

We had an exciting week and have plenty of great news to share!

To begin with – Arizona was selected as the "Best Domestic Tourism Destination" by readers of *Global Traveler* magazine! This is a tremendous honor and a wonderful reflection of how the Arizona tourism industry has worked together to bring awareness of Arizona as an amazing leisure destination. Furthermore, those same readers selected the Arizona Biltmore Resort and Spa as one of the top ten Best Hotels in the Western United States as well as The Boulders Resort as one of the top ten Best Domestic Golf Resorts! Congratulations to everyone for this wonderful distinction.

As for the other great news: Thousands of people will be introduced to Arizona as a vibrant destination as our state hosts both the 21st annual Insight Bowl in Tempe and the 39th annual Fiesta Bowl in Glendale. The Insight Bowl will host an exciting game between Minnesota and Iowa State on December 31. Then on January 4 Boise State will take on Texas Christian University (TCU) in the Fiesta Bowl matchup where both teams are undefeated. All four of these college teams have a dynamic and devoted fan base that will be sure to follow their teams to Arizona and contribute to our local economy. These games are a wonderful, time-honored tradition that gives our industry a great opportunity to promote Arizona as a vibrant travel destination. Congratulations to the Fiesta Bowl for what should be incredible games! Be sure to check out the complete listing of Fiesta Bowl events and for more information, visit www.fiestabowl.org.

Last, but certainly not least, the Arizona Mills Mall in Tempe has been selected to house the new Sea Life Aquarium! This is a major undertaking that will hold 5,000 sea creatures in a 165,000 gallon tank. The attraction is expected to open in June and draw more than 400,000 visitors a year, which will be an amazing addition to our industry. For more information, read the Industry News section or visit click here.

Have a great week.

AOT News

SAVE the DATE: ATU Workshop – "Grant Seeking and Grant Writing for Tourism-Related Projects"

As the results of a valuable partnership between the Arizona Department of Commerce, Arizona State Parks, and Arizona Office of Tourism, we are proud to present the next Arizona Tourism University complimentary workshop, "Grant Seeking and Grant Writing for Tourism-Related Projects."

This informative session will uncover the best free and subscription-based grant funding directories for finding critically needed monies to fund your tourism-related projects, in part or full. The trainer, Dr. Bev Browning, author of Grant Writing for Dummies and Perfect Phrases for Writing Grant Proposals, will lead you through the skills of finding the perfect group of potential funders and show you how to write grant award winning narrative sections. Don't miss the best "how to" session of the year!

Following Dr. Browning's presentation, Eric Vondy from the State Historic Preservation Office, Vivia Strang also from the State Historic Preservation Office, Tom Doyle from the Arizona Department of Commerce, and Glenn Schlottman from the Arizona Office of Tourism will present information on Certified Local Governments, Historic Preservation, the Main Street and REDI Programs, and AOT grant programs. Each presenter will be available at the last part of the workshop to answer questions and discuss projects.

Be sure to sign up today! Contact Glenn Schlottman at 602-364-3727 or via e-mail at gschlottman@azot.gov.

"Grant Seeking and Grant Writing for Tourism-Related Projects" complimentary workshops will be held from 10:00 a.m. to 1:00 p.m. in the following locations:

December 9

White Stallion Ranch
9251 W. Twin Peaks Rd.
Tucson, Arizona 85743

December 11

Lowell Observatory 1400 West Mars Hill Road Flagstaff, AZ 86001

December 15

Arizona Museum of Natural History

53 N MacDonald Mesa, AZ 85201

For more information or to registrar, contact Glenn Schlottman at 602-364-3727 or via e-mail at gschlottman@azot.gov.

AOT Activities

Arizona Shines at leading UK Trade Show

Arizona was well represented recently during World Travel Market (WTM) in London. WTM is the premier global event for the travel industry and the largest travel trade show in the United Kingdom. The event, held November 9-12, showcased vacation destinations from around the world and attracted travel professionals and media from all over the United Kingdom and Ireland. In addition to the AOT staff, the Arizona delegation consisted of the Greater Phoenix Convention & Visitors Bureau (CVB), Scottsdale CVB, Tucson CVB, and Southern Arizona Ranches. During the four-day show, appointments were held with approximately 34 tour operators to review their current programs and look at ways to expand their Arizona product and hopefully increase the number of visitors to the Grand Canyon State. For additional information or a copy of the World Travel Market report contact Loretta Belonio at 602-364-3725 or via e-mail at Ibelonio@azot.gov.

Brochure Distribution Opportunities in Germany

Between January and March 2010, AOT's German representative will attend three leading consumer shows which are being coordinated by the Visit USA Germany committee. There are two five-day shows being held in Munich and Hamburg, and one nine-day show in Stuttgart. It is estimated that more than 375,000 consumers will attend the shows, making this an excellent opportunity to reach a very large target audience.

Brochure participation is normally \$250 per show, but all three shows are available for \$500 (plus shipping). Space is limited to five exhibitors on a first come first served basis! For more information, please contact Loretta Belonio at 602-364-3725 or via e-mail at lbelonio@azot.gov.

Upcoming Events & Activities

Calgary Sales Blitz

Dates: December 7

Location: Calgary, Alberta, Canada

Winnipeg Sales Mission

Date: December 7 – 9

Location: Winnipeg, Manitoba

United States Tour Operator Association Annual Conference

Date: December 8–10

Location: Banff, Alberta, Canada

American Bus Association (ABA) Marketplace

Date: January 15-19, 2010

Location: National Harbor, Maryland

Industry News

Survey Finds Dip in Those Planning to Travel in 2010

The latest travelhorizons survey, a quarterly survey of 2,200 U.S. adults co-authored by Ypartnership and the U.S. Travel Association, says that "value" will continue to be in vogue in 2010. According to the survey, 53 percent of all U.S. households are planning at least one leisure trip between now and April 2010, down slightly from the 56 percent who stated the same intention in October 2008. Concerns about the "household budget" remain the primary deterrent to future leisure travel, cited by 39 percent of those not planning a trip. But the incidence of this concern is now at the lowest level since the question was first included in the survey. The outlook for business travel remains mixed, with only 18 percent of adults planning at least one business trip, including trips to attend business meetings and conventions, between now and April 2010. (www.TravelPulse.com, 11/30; Special to TA; Travel Advance, Dec. 1)

Report Predicts 11% Fall in Occupancy at Western Ski Resorts

October bookings for lodging at Western ski resorts jumped 25 percent from last year, says Travel Weekly, but reservations for the whole ski season are still lagging, according to the latest numbers from the Mountain Travel Research Program. Ralf Garrison, president of Mountain Travel Research, which tracks lodging reservations at ski resorts in Western North America, said the current data indicate occupancy will be down 11 percent and rates will be down 10 percent. "We were down 11 percent at this time last year," Garrison said. "So the combined drop from the 2007-2008 season is 22 percent. We ended up last winter with occupancy down 15 percent and rates down 9 percent, so occupancy looks a little less bad and rates a little worse." Still, early snow and strong sales of season passes are raising hopes in the industry. "The general consensus among industry experts for the coming winter is a season very similar to last year, with some even forecasting the potential for increased business volumes," said Dave Belen, director of research firm RRC Associates. "This is good news for ski areas that are close to population centers and can offer value to skiers and snowboarders, and a challenge for more remote destination ski resorts that rely on visitors traveling longer distances. (Marketing & Tourism Trends, Dec. 1)

Smith Travel Research Sees U.S. Hotel Recovery In 2011

Smith Travel Research this week issued a forecast calling for the U.S. hotel industry's rates, revenue and occupancy to begin a recovery in 2011. The firm on Monday said that the current construction pipeline should be mostly completed by 2011, with growth for the year projected at 0.8 percent. At the same time, reports BusinessTravelNews, demand will grow by 3.2 percent during 2011. This will lead to a 2.4 percent year-over-year increase in occupancy, a 3 percent increase in average daily rate and a 5.5 percent increase in revenue per available room,

according to the report. "For the first time since 2007, occupancy will improve in 2011," Smith Travel Research president Mark Lomanno said in a statement. "With that, we think that finally the industry will have the ability to raise room rates. It won't nearly come close to getting back to 2007 levels but will at least be the beginning stages of improvement." The firm on Monday also slightly improved its rate and revenue expectations for the full year of 2009. It now expects rates for the year to be down 8.9 percent compared with 2008, a less steep drop than the 9.7 percent decline in the firm's July forecast. With better-than-expected rate performance, STR said RevPAR should drop by 17 percent this year, marginally better than the 17.1 percent decline forecast in July. (Marketing & Tourism Trends, Dec. 1)

Some Rediscover the Benefits of Business Travel

When the economy collapsed last fall, many companies had to make some quick decisions about travel, typically one of the first areas they trim when finances are tight. Should they cut back as most of their competitors were, continue business as usual or spend even more to get a leg up? Most companies — about 85 percent — decreased travel spending, according to the National Business Travel Association, a trade group says this article in The New York Times. But two recent reports, commissioned independently by the business travel association and another trade group, the U.S. Travel Association, found a clear link between business travel and corporate profit. While both groups have an interest in promoting business travel, Henry H. Harteveldt, travel analyst for Forrester Research, agreed that in-person meetings were important in promoting business. "We are social beings," he said. "There are emotional as well as rational benefits to face-to-face meetings." Ultimately, he added, "Nothing replaces two business people building a professional relationship in person." But he said companies should avoid unnecessary expenses and ensure that travel was purposeful. With forethought, Mr. Harteveldt said, "there can be enormous benefits." But companies must be careful not to overreact. Relying too much on technology or cutting back too sharply, he said, "can be just as harmful as wasting money on business travel." (Marketing & Tourism Trends, Dec. 1)

Can a New U.S. Tourism Board Woo Visitors?

Health care legislation may be garnering most of the headlines these days, but it's far from the only bill circulating on Capitol Hill. Another new piece of legislation quietly making its way to President Obama's desk is the Travel Promotion Act (TPA) — it has already been approved by the Senate and is now in front of the House — which would establish the country's first official nonprofit tourism board. Virtually every country in the world, large and small, has an official tourism department to woo visitors to its shores. Tiny Tunisia has 24 tourism offices in 19 countries across the globe. South Africa has 10 offices on four continents. America has none, relying instead on the private sector to attract tourists. "Airlines, tour operators, hotels they've had the responsibility of promoting America," says Henry Harteveldt, a travel industry analyst at Forrester Research in San Francisco. "The government has stayed away from these kinds of initiatives and as a result, we've lost out on travelers." Indeed, says Time, while annual international travel has increased, from 124 million global travelers in 2000 to 173 million last year, annual overseas visits by foreigners to the United States have ticked down, from 26 million in 2000 to 25.3 million in 2008. The absolute drop-off seems small, until you consider that it has cost the country an estimated \$27 billion in lost tax revenue over the past decade. With unemployment levels now topping 10 percent in the U.S., the economic benefits of foreign travel have never been more urgent, yet visitors have never been scarcer. "We're welcoming fewer and fewer visitors every year," laments Geoff Freeman, senior vice president of public affairs at U.S Travel, the nation's leading travel industry advocacy group. Helping keep travelers

at bay are tighter visa restrictions, tougher entry procedures at immigration desks and a general increase in anti-American sentiment in the wake of the wars in Iraq and Afghanistan. "We took foreign travelers for granted and erroneously assumed they would just keep on coming," says Harteveldt. (Marketing & Tourism Trends, Dec. 1)

U.S. Travel Offers 7-Point Plan to Help Job Creation

In advance of the White House Jobs Summit today, the U.S. Travel Association sent an open letter to President Obama and Congressional leaders outlining plans to spur economic growth and job creation in the country. "We urge the president and Congress to work together to unlock the power of the travel community to put Americans back to work with tax incentives for job-creating travel, targeted efforts to promote international travel and government funding to remove roadblocks to an efficient travel infrastructure," U.S. Travel President and CEO Roger Dow said in the letters to the president and Congress. The trade group proposed seven immediate and medium-term proposals which it said were crucial to job creation, including a travel tax deduction for business travel with a spouse, a business meal tax deduction and implementation of the Travel Promotion Act to encourage millions of travelers to visit the U.S. (Special to TA; Travel Advance, Dec. 3)

Sea Life Aquarium will bring 5,000 Sea Creatures to Tempe

Only a handful of the 32 Sea Life Aquariums worldwide feature a 360-degree view of marine life where sightseers are encircled by swimming fish as they walk into a tunnel that cuts through a 165,000 gallon tank.

The Valley will welcome such a spectacle as well more than 5,000 sea creatures by June when the doors are scheduled to open at the 33rd Sea Life Aquarium at Arizona Mills Mall in Tempe.

In addition to out-of-state marine life, the Valley's Sea Life will display animals unique to Arizona's water ecosystems. Visitors can talk to biologists, touch tide-pool creatures and watch octopuses, sharks, rays and seahorses feed, said Chris Spaulding, Sea Life's North American curator.

The people behind the world's second largest and fastest growing operator of tourism attractions were in the Valley this week to explain why, after a year-and-a-half long search, they chose Arizona to open the nation's first stand-alone Sea Life.

"We're bringing the ocean to the desert. I like that we can say that. Sea Life in Arizona will be a \$15 million investment," said Glenn Earlam, the director of Merlin Entertainments Group's midway attractions. Sea Life is a subsidiary of Merlin Entertainments. Earlam joined other Sea Life executives at a groundbreaking celebration where construction on the aquarium in an existing 26,000 square-foot space at Mills mall has begun.

Fine year-round weather, a major-metropolitan setting and the Valley's longstanding tourism industry were the state's main draws, Earlam said.

UK-based Merlin Entertainments is second only to Disney in the themed-attraction industry and operates LEGOLAND and Madame Tussauds In all, the entertainment leader draws 35 million annual visitors to the 59 attractions, six hotels and two holiday resorts it owns in 13 countries across three continents.

The first U.S. Sea Life Aquarium opened last year in California but was located next to LEGOLAND to build off of the visitors to that Pacific Coast attraction. But in a state that had 37.4 million visitors in 2008, a stand-alone Sea Life Aquarium is a unique enough Valley attraction that it could sustain business year round, regardless of whether it is next to a sister themed park, Earlam explained.

Tempe's Sea Life is expected to employ about 50 people and draw 400,000 visitors annually. A lawsuit filed last month by the Goldwater Institute claiming an incentive Tempe offered Sea Life is illegal has questioned the development agreement but Tempe officials maintain the deal was legal. A hearing is set for next week.

Development and recreation experts believe the high-profile aquarium could spur the Valley's tourism industry. Tourism dollars are becoming increasingly important as Arizona deals with one of the nation's worst budget deficits and struggles to rebuild its economy in the wake of the real-estate market crash, said Tempe's Community Development Manager Chris Salomone.

The Valley could benefit financially by refocusing efforts to promote Arizona's natural resources, said Megha Budruk, an Arizona State University professor in the School of Community Resources and Development. The state already attracts millions to the Grand Canyon, one of the world's most visited natural wonders, she added.

"It's a great opportunity to line up with the Desert Botanical Gardens, the Phoenix Zoo and other larger community parks," she said. "I understand it's an aquarium but if we tie it really well with the other desert attractions it makes it a really nice compliment to the other nature-based tourism opportunities we have within the valley." (by Dianna M. Náñez, Arizona Republic, Dec. 2. To read full article, click here.)

National Geo's Adventure Magazine Folds

National Geographic announced on Thursday that it was ceasing regular publication of National Geographic Adventure, its 10-year-old magazine about travel and the outdoors published eight times a year. However, it will keep the brand alive in two annual newsstand-only publications, in books and on the Web. The company had been in talks to sell the magazine, but those fell apart after it refused to part with the "National Geographic" portion of the title, said John Q. Griffin, executive vice president and president of the magazine group at the National Geographic Society. "The reason we didn't sell it is that the name of the magazine is National Geographic Adventure," he said. Because the company continues to publish other National Geographic magazines, "to have another brand out there selling might have caused confusion in the marketplace." Potential buyers were not interested in just buying a magazine called "Adventure," he said.

The company plans two Adventure newsstand-only issues, on topics that might include Adventurer of the Year or adventure travel, Griffin said. Seventeen employees, almost all of them in editorial, will be dismissed because of the closure. The final regular issue of National Geographic Adventure will be the Dec./Jan. one, now on newsstands. (*Page B4, New York Times; Travel Advance, Dec. 4*)

Holiday Calendar of Events

Want to see some Holiday lights? <u>Click here</u> to for a list of some great Holiday Lights Shows and Festivals!

Calendar of Events

Visit <u>www.ArizonaGuide.com</u> to find information on all the exciting <u>events, festivals and activities</u> held throughout the Grand Canyon State!

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